

ROCK HILL ECONOMIC DEVELOPMENT CORPORATION

Regular Monthly Meeting

February 2, 2016

The regular monthly meeting of the Board of Directors of the Rock Hill Economic Development Corporation was held on Tuesday, February 2, 2016 at the City Club of Rock Hill. Notice of the meeting was sent to all members, City Council, media and interested citizens. Notice was posted at City Hall on February 1, 2016 and appeared in the Herald newspaper.

RHEDC Board Members Present:

Greg Austin	Lee Gardner	Alice Rigdon
Tim Baldwin	Dawn Johnson	Andy Shene
John Black	Luanne Kokolis	David Stringer
Jason Broadwater	Allan Miller	Cathy Weaver
Bev Carroll	Warren Norman	Chad Williams
Elaine Copeland	Jim Reno	Dave Williams
Brian Crenshaw	Toy Rhea	Rob Youngblood

RHEDC Board Members Absent:

Eddie Brown	Randy Graham	David Vehaun
Myron Brown	Dan Mahony	Gary Williams
Eddie Boulware	Kerry Mast	
Doug Echols	Greg Rutherford	

Others Present:

Terrie Boisson, Office Manager
Linda Burke, SC Works
Shaun Cassidy, Winthrop
Andrew Cope, Cope Construction
Mike Crowder, WRHI
Kimberly Faust, Winthrop University
Charlie Floyd, Domtar Paper
Steven Gibson, Assistant City Manager
Jim Hardin
Martin Lane, Project Coordinator
Susan Lyle, Performance Manager
Amy Massey, Kimley-Horn
Ron Miller, Family Trust
Cathy Murphy, Downtown Development Manager
Rick Norwood, Director of Industrial Recruitment
Janice Pendleton, Clinton College
Allison Rauch, CN2
Paul Rehkow, TD Bank
John Rinehart, Rinehart Realty
Bill Shanahan, York County
Hannah Spruill, Marketing Coordinator
Tom Stanley, Winthrop University
Stephen Turner, Executive Director
Skip Tuttle, The Tuttle Company
Wes Tuttle, The Tuttle Company
David Warner, Technology Incubator Director
Jeremy Winkler, Intergovernmental Manager
Jeffrey York, Town of Chapel Hill
Melanie York

I. Call to Order and Welcome

Chairman Greg Austin called the meeting to order at 12:18 pm. and introduced Jeffrey York, Public and Cultural Affairs Administrator for the Town of Chapel Hill, NC, Tom Stanley and Shaun Cassidy, from the Winthrop University College of Visual and Performing Arts.

Stephen Turner introduced Charlie Floyd, Vice-President of Manufacturing Optimization with Domtar in Fort Mill. Charlie is very active in the community and has served on numerous boards . He is Chairman of the Board for the United Way.

II. Approve Minutes of January 5, 2016 Regular Monthly Meeting

The Minutes of the January 5, 2016 Board meeting were approved as submitted.

III. Chairman's Report

The RHEDC Board of Directors met with City Council on January 14, 2016. The group discussed RHEDC's 2015 accomplishments and goals for 2016. The goals will be presented to City Council on February 8.

IV. Prospect Reports/Project Updates

Business Parks – Rick Norwood

- Active Projects: 20 totaling 3300 jobs and \$662M investment.
- Expansion Projects: 9 totaling 275 jobs and \$19M investment.
- Legacy West: planning underway for a 432,000 sq. ft. spec building. The groundbreaking is anticipated to be this spring.

Technology Incubator @ Knowledge Park – David Warner

- Seeking reverse commuters who are in the technology field to build a network of talent for Knowledge Park.
- The Business Growth Workshop, which helps small businesses in Knowledge Park and beyond, was held on January 26. The regularly scheduled workshop assists businesses in different aspects such as marketing, with help from peer coaches.
- The Business Model Competition for middle school, high school, and college students will be held February 26 through March 4. This competition allows students to present business ideas to a panel of judges.

Knowledge Park – David Lawrence

Plans that are in place for the Master Developer Agreement/Sora Phelps include:

- City Council is anticipated to give second reading and approval of rezoning of the Bleachery property in February. The site is now zoned for industrial, this use does not encompass mixed use, parking, and other requirements needed for the project.
- Full civil engineering plans for infrastructure of site and costs estimates. The extensive amount of work that is needed for the entire development project will be taken into consideration.
- Permission and access has been granted to developer for environmental remediation of the Lowenstein Building. The time required to remediate lead based paint and asbestos causes concern regarding scheduling of new tenants.
- Discussions regarding tax credits are underway with the State Historic Preservation Office. Approval is needed for the exterior of the building and windows.

- The finance agreement and amendments addressing infrastructure development and zoning are being prepared.

V. Committee Reports

Finance – Lee Gardner

The Finance Committee met on January 28.

Consider Approval of RHEDC December 31, 2015 Financial Reports

The Finance Committee reviewed the monthly financial reports for December 2015. The Committee also received and reviewed the budget summary for the Innovation Challenge Grant dated January 26, 2016. The Statement of Financial Position reflects an increase in RHEDC's operating reserves from an 18 month reserve to a 24 month reserve.

The Finance Committee presented a motion to approve the Statement of Financial Position for December 31, 2015, the December Budget Report, and the Innovation Challenge Grant. The motion was unanimously approved.

Consider Actions Related to the Innovation Challenge Grant

- Draw-Down of Remaining Grant Funds

The Committee reviewed a January 26, 2016 report on the Innovation Challenge Grant. It was stated that RHEDC has requested and expects to receive an extension to the grant period from February 29, 2016 until June 30, 2016 for completing and documenting all expenditures. However, RHEDC needs to complete the drawdown of all grant funds by February 29. In order to achieve this, it will be necessary to demonstrate that required matching funds are committed. At this time, matching funds totaling \$66,171.43 are required. The actual expenditure of these funds will be primarily City staff costs. The committee recommended that RHEDC earmark \$66,171.43 as matching funds in order to complete the drawdown of grant funds. Once the expenditures are completed by the City, RHEDC funds can be released.

The Finance Committee presented a motion to approve earmarking of \$66,171.43 as a reserve fund for the Innovation Challenge Grant in order to complete the drawdown of grant funds. The motion was unanimously approved.

- Sub-Lease of Knowledge Park Innovation Center Space to Cimplx ACA

Cimplx ACA, a company that got its start at the Technology Incubator at Knowledge Park, approached RHEDC recently with an urgent request for temporary office space. The company is growing rapidly and adding new employees. The company expects to move to new space by May that will accommodate its growth. In the meantime, the company has insufficient space for its employees to work. The company has been offered and has accepted a sublease proposal for The Hive/Knowledge Park Innovation Center space, leased by RHEDC, on the third floor of the Citizens Building. The proposed sublease would cover all costs of occupancy and has been approved by the building owner.

The Finance Committee presented a motion to approve the sublease agreement. The motion was unanimously approved.

- **Lease of Alternate Space for The Hive/Knowledge Park Innovation Center**

With five months of programming and funding remaining under the SC Innovation Challenge Grant, the proposed sublease for The Hive/Knowledge Park Innovation Center space means that certain programs and activities will no longer have a home. Joe Lanford has offered to lease space at 130 East Main Street, Suite 200, through June 30, 2016, in order to meet this need. The costs associated with this lease would be funded from the Innovation Challenge Grant or by the City of Rock Hill.

A motion to approve entering into a 5-month, lease for 130 East Main Street, Suite 200 was presented from the Finance Committee. The motion was unanimously approved.

Report on Spec Building #2 Project

The closing of a second spec building loan with Santee Cooper is going more slowly than expected due to changes in staffing at Santee Cooper. A new loan application has been submitted and it is hoped that closing on the \$1.36 million loan can occur in February.

Report on Possible Business Park Investments

Work on reviewing opportunities for investments in new business parks continues and the Finance Committee hopes to bring recommendations to the Board within the next 60 days.

Innovation – Jim Hardin

- 2016 RHEDC goals are being reviewed, noting the Innovation Committee's continued role with talent development, entrepreneurship, and innovation efforts. A discussion has taken place regarding the ideas of possibly developing increased incubator capacity, co-working space, and/or accelerator space with Knowledge Park. David Lawrence will be arranging trips to meet with and view facilities and programs in Charleston and Greenville as a means of stimulating thinking about how we might develop these programs.
- The Knowledge Park Innovation Center/The Hive, has been repurposed to accommodate the growth of Cimplx. Other space has been located to keep some of the talent development and business growth programming in operation during the remaining term of the grant funding.

Leadership – Toy Rhea

- The committee is working on a mentor development program utilizing retired business professionals that can assist startup companies.
- Beginning to discuss corporate sponsorship which will continue to maintain the relationship the Incubator has with Clemson.

Quality of Life - Luanne Kokolis

- To date, \$4,875 has been raised for the Barre Mitchell Community Initiatives Fund. Susan Lyle is the contact person for any donations to the Barre Mitchell Community Initiatives Fund. The Quality of Life Committee is working with Winthrop University on a public art project for the new Roundabout. Jeffrey York who is the Public and Cultural Arts Administrator for the Town of Chapel Hill is part of the partnership program with Winthrop on engaging the community in conversations about public art, how it is funded and the economic impact it has on the community. This evening, Mr. York will conduct a workshop at Amelie's at 5:30p.m. that is open to the public.

VI. Adjourn

There being no further business to come before the Board, the meeting was adjourned at 12:47 pm.
Respectfully submitted,


Susan A. Lyle
Acting Secretary

VII. Community Interest Presentation

Jeffrey York, Public and Cultural Arts Administrator for the Town of Chapel Hill spoke briefly on engaging the community in conversations about public art, how it is funded and the economic impact it has on the community.

It has been discussed that the cultural industry generates a tremendous amount of wealth in the community, however, analysis has not been generated to substantiate a return on investment. Public art is used to help with “place making” which encourages interaction, entrepreneurship and local identity within a community. Public art is also used to enrich the lives of those who live, work and visit these spaces through programs and events that build community and contribute to the vibrancy of the town.

The goal is to integrate public art into the context of what the Town does everyday.